

WILLIAM E. AVERA

FINCAP, INC.
Financial Concepts and Applications
Economic and Financial Counsel

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Summary of Qualifications

Ph.D. in economics and finance; Chartered Financial Analyst; varied leadership positions in government, industry, academia, and the military. Extensive experience in expert witness testimony, valuation of closely held businesses, financial counseling, economic analysis, and executive education as well as undergraduate and graduate teaching in business and economics.

Employment

Principal, FINCAP
(August 1979 - Present)

Engaged in financial, economic and policy consulting to business and government. Perform technical and financial policy research for private and regulated firms, cost/benefit analyses and financial modeling, valuation of businesses, estimation of damages, and industry analyses. Provide counseling and educational services, prepare written analyses, participate in negotiations, and serve as expert witness before regulatory agencies and courts.

Director of Economic Research
Division, Public Utility Commission
of Texas
(December 1977 - August 1979)

Managed staff of 24 professionals in research and testimony preparation on rate of return, rate structure and econometric analysis. Testified in major rate cases and made appearances before legislative committees. Administered state and federal grant funds. Communicated frequently with political leaders, consumer groups, the media, and the investment community.

Manager, Financial Education,
International Paper Company
New York City
(February 1977 - November 1977)

Directed corporate education programs in accounting, finance, and economics. Developed course materials, recruited and trained instructors, maintained liaison within the company and with academic institutions. Prepared operating budget and designed financial controls for corporate professional development program.

Lecturer in Finance,
The University of Texas at Austin
(September 1979 - May 1981)
Assistant Professor of Finance,
(September 1975 - May 1977)

Taught graduate and undergraduate courses in financial management and investment theory. Conducted research in business and public policy. Won Outstanding Graduate Business Professor award and various administrative appointments.

Assistant Professor of Business,
University of North Carolina at
Chapel Hill
(September 1972 - July 1975)

Taught in BBA, MBA, and PhD programs. Created project course in finance, Financial Management for Women, and participated in development of Small Business Management sequence. Organized the North Carolina Institute for Investment Research, a group of financial institutions which supported academic research. Faculty advisor to the Media Board which funded student publications and broadcast stations

Education

Ph.D., Economics and Finance,
University of North Carolina at
Chapel Hill
(January 1969 - August 1972)

Elective courses included financial management, public finance, monetary theory, and econometrics. Awarded the Stonier Fellowship by the American Bankers' Association. Taught statistics, macroeconomics, and microeconomics.

Dissertation: The Geometric Mean
Strategy as a Theory of Multiperiod
Portfolio Choice

BA, Economics,
Emory University, Atlanta, Georgia
(September 1961 - June 1965)

Active in extracurricular activities, served as president of the Barkley Forum (debate team), Emory Religious Association, and Delta Tau Delta Fraternity. Individual and team awards at various national collegiate debate tournaments.

Professional Associations

Received Chartered Financial Analyst designation in 1977. Active in many professional organizations. Formerly Vice President for Membership of Financial Management Association and President of Austin Chapter of Planning Executives Institute. Elected Vice Chairman of National Association of Regulatory Utility Commissioners Subcommittee on Economics, served on the Technical Subcommittee on the National Energy Act, Board of Directors of North Carolina Society of Financial Analysts, and Executive Committee of Southern Finance Association.

Teaching in Executive Education Programs

Taught in executive development programs for Duke University, Louisiana State University, National Defense University, National University of Singapore, Texas A&M University, Universities of North Carolina, Kansas and Texas. Lectured in professional programs for Advanced Seminar on Earnings Regulation, American Public Welfare Association, Association for Investment Management and Research, Congressional Fellows Program, Cost of Capital Workshop, Electricity Consumers Resource Council, Financial Analysts Association of Indonesia, Financial Analysts' Seminar of the U.S., Governor's Executive Development Program, Louisiana Association of Business and Industry, National Association of Purchasing Management, National Association of Tire Dealers, Planning Executives Institute, School of Banking of the South, Texas Association of State Sponsored Computer Centers, Texas Bankers' Association, Texas Bar Association, Texas Savings and Loan League, Texas Society of CPAs, Union Bank of Switzerland, U.S. Veterans Administration, U.S. Department of State, U.S. Navy, Stock Exchange of Thailand, and major corporations. Taught MBA courses at St. Edward's University and Central Michigan University. Presented papers in the Mills B. Lane Lecture Series at the University of Georgia and the Heubner Lectures at the University of Pennsylvania.

Expert Witness Testimony

Served as expert witness in cases before the Federal Communications Commission, Federal Energy Regulatory Commission, Interstate Commerce Commission, and regulatory agencies in Alaska, Arkansas, Colorado, Connecticut, Delaware, Kansas, Maryland, Missouri, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Texas, and Virginia. Testimony addressed cost of capital, rate design, and other economic and financial issues. Testimony before federal and state courts, arbitration panels, and alternative dispute resolutions involving damages, valuation, and other economic and financial issues.

Community Activities

Chairman, Energy Task Force, Greater Austin - San Antonio Corridor Council. Chair, Board of Deacons and Finance Committee, Elder, Central Presbyterian Church of Austin. Founding Director, Orange-Chatham County Legal Aid.

Military

Captain, U.S. Naval Reserve (retired after 28 years service). Commanding Officer, Naval Special Warfare Engineering Support Unit. Officer-in-charge of SWIFT patrol boat in Vietnam. Enlisted service as weather analyst.

Bibliography**Monographs**

"On the Use of Security Analysts' Growth Projections in the DCF Model" (with Bruce H. Fairchild), Earnings Regulation Under Inflation, J. R. Foster and S. R. Holmberg, ed., Institute for Study of Regulation, 1982.

An Examination of the Concept of Using Relative Customer Class Risk to Set Target Rates of Return in Electric Cost-of-Service Studies (with Bruce H. Fairchild), Electricity Consumers Resource Council (ELCON), Washington, D.C., 1981; portions reprinted in Public Utilities Fortnightly, November 11, 1982.

Monographs (Continued)

"Usefulness of Current Values to Investors and Creditors", chapter in Research Study on Current-Value Accounting Measurements and Utility, George M. Scott, ed., Touche Ross Foundation, 1978.

"The Geometric Mean Strategy and Common Stock Investment Management" (with Henry A. Latane) in Life Insurance Investment Policies, David Cummins, ed., Richard D. Irwin, Homewood, Illinois, 1977.

Investment Companies: Analysis of Current Operations and Future Prospects (with J. Finley Lee and Glenn L. Wood), the American College of Life Underwriters, Bryn Mawr, Pennsylvania, 1975.

Articles

"Liquidity, Exchange Listing, and Common Stock Performance" (with John C. Groth and Kerry Cooper), Journal of Economics and Business, Spring 1985; reprinted by the National Association of Security Dealers.

"The Energy Crisis and the Homeowner: The Grief Process", Texas Business Review, January-February 1980; reprinted in The Energy Picture: Problems and Prospects, J. E. Pluta, ed., Bureau of Business Research, 1980.

"Use of IFPS at the Public Utility Commission of Texas", Proceedings of the IFPS Users Group Annual Meeting, 1979.

"Production Capacity Allocation: Conversion, CWIP, and One-Armed Economics", Proceedings of the NARUC Biennial Regulatory Information Conference, 1978.

"Some Thoughts on the Rate of Return to Public Utility Companies" (with Bruce H. Fairchild), Proceedings of the NARUC Biennial Regulatory Information Conference, 1978.

"A New Capital Budgeting Measure: The Integration of Time, Liquidity, and Uncertainty" (with David Cordell), Proceedings of the Southwestern Finance Association, 1977.

"Usefulness of Current Values to Investors and Creditors", Inflation Accounting/Indexing and Stock Behavior, Faulkner, Dawkins & Sullivan, New York, January 1977.

"Consumer Expectations and the Economy", Texas Business Review, November 1976.

"Portfolio Performance Evaluation and Long-run Capital Growth" (with Henry A. Latane), Proceedings of the Eastern Finance Association, 1973.

Book reviews in Journal of Finance and Financial Review. Abstracts for C.F.A. Digest. Series of articles in Carolina Financial Times.

Selected Papers and Presentations

"Estimating the Cost of Capital During the 1990s: Issues and Directions" The National Society of Rate of Return Analysts, Washington, D.C., May 1992

Selected Papers and Presentations (Continued)

"Can Regulation Compete for the Hearts and Minds of Industrial Customers", Emerging Issues of Competition in the Electric Utility Industry Conference, Austin, Texas, March 3, 1988.

"The Role of Utilities in Fostering New Energy Technologies", Emerging Energy Technologies in Texas Conference, Austin, Texas, March 11, 1988.

"The Regulators' Perspective", Bellcore Economic Analysis Conference, San Antonio, Texas, November 4, 1987.

"Cogeneration in Texas - Present and Future", American Society of Mechanical Engineers, Austin, Texas, January 22, 1987.

"Public Utility Commissions and the Nuclear Plant Contractor", Construction Litigation Superconference, Laguna Beach, California, December 1, 1986.

"Security Analyst Ethics and Enlightened Self-Interest", San Antonio Society of Financial Analysts, San Antonio, Texas, November 1985, and St. Louis Society of Financial Analysts, St. Louis, Missouri, February 1986.

"Development of Cogeneration Policies in Texas", University of Georgia Fifth Annual Public Utilities Conference, Atlanta, Georgia, September 13, 1985.

"Wheeling for Power Sales", Energy Bureau Cogeneration Conference, Houston, Texas, November 1985.

"The Role of Electric Power from Qualifying Facilities in the Energy Future of the Austin - San Antonio Corridor", Energy Task Force, Greater Austin - San Antonio Corridor Commission, San Marcos, Texas, October 1984.

"Asymmetric Discounting of Information and Relative Liquidity: Some Empirical Evidence for Common Stocks" (with John Groth and Kerry Cooper), Southern Finance Association, New Orleans, Louisiana, November 1982.

"Electric Rate Options for the 80s: Cost-Based, Peak-Load, Lifeline, and Others", Center for Energy Studies, The University of Texas at Austin, March 4, 1981.

"Used and Useful Planning Models", Planning Executive Institute, 27th Corporate Planning Conference, Los Angeles, California, November 1979.

"Staff Input to Commission Rate of Return Decisions", The National Society of Rate of Return Analysts, New York, New York, October 1979.

"Electric Rate Design in Texas", Southwestern Economics Association, Fort Worth, Texas, March 1979.

"Discounted Cash Life: A New Measure of the Time Dimension in Capital Budgeting" (with David Cordell), Southern Finance Association, New Orleans, Louisiana, November 1978.

Selected Papers and Presentations (Continued)

"The Relative Value of Statistics of Ex Post Common Stock Distributions to Explain Variance" (with Charles G. Martin), Southern Finance Association, Atlanta, Georgia, November 1977.

"An ANOVA Representation of Common Stock Returns as a Framework for the Allocation of Portfolio Management Effort" (with Charles G. Martin), Financial Management Association, Montreal, Canada, October 1976.

"A Growth-Optimal Portfolio Selection Model with Finite Horizon" (with Henry A. Latane), American Finance Association, San Francisco, California, December 1974.

"An Optimal Approach to the Finance Decision" (with Henry A. Latane), Southern Finance Association, Atlanta, Georgia, November 1974.

"A Pragmatic Approach to the Capital Structure Decision Based on Long-run Growth" (with Henry A. Latane), Financial Management Association, San Diego, California, October 1974.

"Multiperiod Wealth Distributions and Portfolio Theory", Southern Finance Association, Houston, Texas, November 1973.

"Growth Rates, Expected Returns, and Variance in Portfolio Selection and Performance Evaluation" (with Henry A. Latane), Econometric Society, Oslo, Norway, August 1973.